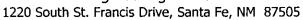
PMAM 1504403786

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -





ADMINISTRATIVE APPLICATION CHECKLIST

TH	IS CHECKL	IST IS MA	NDAT	ORY FOR ALL		TRATIVE API						JLES AN	ND REGULA	ATIONS
Applica	ation Ac													
	[DH0]	C-Down [PC-Poo	hole ol Co WFX	Location] Commingling Materfloo SWD-Salt	ing] [] [OL: d Expan	CTB-Leas S • Off-Leas sion] [1	e Commi se Stora PMX-Pres	ngling] ge] [C ssure Ma	[PLC DLM-Off intena	-Pool/L f-Lease nce Ex	ease C Meas pansio	ommi ureme	ingling]	
	[EO	R-Quali		Enhanced						ive Pro	_		_	
[1]	TYPE	OF API [A]	Loc	CATION - cation - Spa NSL			taneous D			Apach Outla	he Co	rpora	•	
		Check ([B]		Only for [Emmingling DHC [.	- Storage CTB	e - Measur PL	.C 🗌	РС 🗌	OLS	30-01	5-42 5 OLM	54 <u>Po</u>		
		[C]	Inje	ection - Dis	posal - F] PMX	Pressure In	icrease - I	Enhanced IPI	d Oil R] Eor	ecovery	PPR			's Glon:
		[D]	Oth	ner: Specify								46	.83.	>
[2]	NOTIF	ICATI		REQUIRE Working,							lot App	oly		
		[B]	X	Offset Op	erators,	Leaseholo	iers or Su	rface Ov	vner					
		[C]		Applicati	on is On	e Which F	Requires 1	Publishe	d Legal	Notice	:			
		[D]	X	Notificati	on and/o	or Concurr gement - Comm	ent Appr	oval by I	BLM OI tate Land (r SLO				
		[E]	X	For all of	the above	ve, Proof o	of Notific	ation or I	Publica	tion is	Attache	ed, and	d/or,	
		[F]		Waivers a	ire Attac	hed			1					
[3]				ATE AND N INDICA			FORM <i>A</i>	TION I	REQUI	IRED T	ГО PR	OCES	SS THE	TYPE
	al is <mark>acc</mark> u	ı rate an	d co	N: I hereby mplete to t d information	he best o	of my kno	wledge.	l also un	derstan	d that n	io actio			
		Note:	State	ment must b	e-complet	ted by an in	dividual wi	th manage	erial and	or supe	rvisory o	apacity	y .	
Brian	Wood			/	<u> </u>	KBZY		C	onsul	tant			2	-9-15
Print or	Type Nan	ne		Sign	ature				itle	•				ate
								b	rian@	permi	itswes	t.con	n	
								e-	mail Ad	dress				



REQUEST FOR ADMINISTRATIVE APPROVAL APACHE CORPORATION'S OUTLAW STATE 2 30-015-42554 990' FSL & 990' FEL SECTION 29, T. 17 S., R. 28 E., EDDY COUNTY, NM

I. This existing oil well is on State surface and a State oil and gas lease. The well is nonstandard (17' too far north and 17' too far west) for the Artesia; Glorieta-Yeso Pool (96830) due to a battery on the east and pipelines on the south (see EXHIBIT A). Apache requests a nonstandard location due to land uses. A standard location would be too close to a tank battery and force multiple pipelines to be moved. In addition, there are 4 rights-of-way, 3 LRE wells, and 3 Apache wells in the quarter-quarter,

A standard location must be ≥ 330 ' from the boundary of the quarter-quarter according to Order R-8539 et al. In this case, it is 313' from the north and west sides of unit letter P. (The east side of Section 29 is shorter than normal. Length of the east side of Section 29 is 5,195.52'.)

- II. Revised Form C-102 showing the well and 40-acre dedication is attached as Exhibit B. The well is 17' too far north and 17' too far west.
- III. Lease boundaries are shown on EXHIBIT C. The well encroaches to the north, northwest, and west. Encroachments to the northwest and west are toward the interior of the lease. Encroachment to the north is toward a separate state lease operated by Apache. Artesia; Glorieta-Yeso dedications exist in unit letter P of Section 29 and 5 bordering or cornering quarter-quarters or lots. Unit letter M of Section 28 and unit letter D of Section 33 do not have Yeso wells. See Exhibit D. This information is current and correct.
- IV. Archaeology is not an issue.
- V. Surface issues (tank battery and pipelines) and the need to prevent waste and recover additional reserves drive the need for this nonstandard location.
- VI. Apache does not believe directional drilling to a standard location is cost effective for this well.

VII. I hereby attest that I, on or before the date that the application was submitted to the division, sent notification to the affected persons (see EXHIBIT E) by certified mail, return receipt requested, advising them that if they have an objection it must be filed in writing within 20 days from the date the division receives the application. These affected persons have working or royalty interests in quarter-quarters that border the 40-acre spacing unit. Said notice was sent to:

Greg Benton Chisos LTD Mickey Cunningham E G L Resources Mark Henen John Kennedy Latham Family Trust LRE Operating Manix Royalty NM State Land Office Mike Pollard Melvin Riggs Matt Swerc Robert Thomas Mark Tisdale Clayton Williams Energy

Brian Wood, Consultant

Z-9-15

Date



STATE OF NEW MEXICO)
) SS:
COUNTY OF SANTA FE)

The foregoing instrument was acknowledged before me this 9th day of February, 2015 by Brian Wood. Witness my hand and official seal.

Notary Public Stephenson

My Commission Expires: 2-12-3017

Business Address: 37 Verano Loop, Santa Fe NM 87508

cc: Cooper



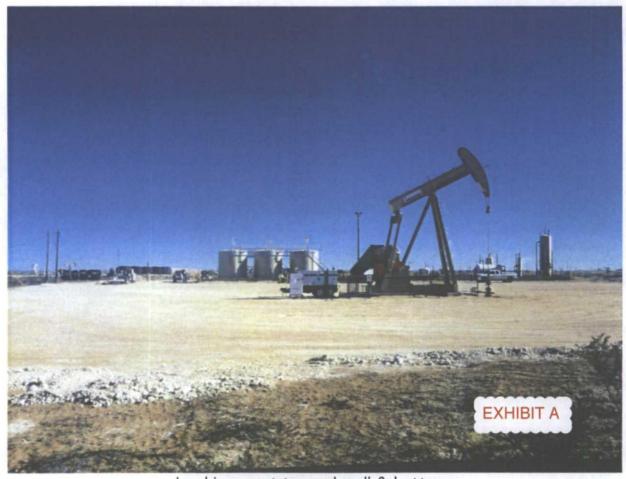
OFFICIAL SEAL
JEFFREY L. STEPHENSON
NOTARY PUBLIC

STATE OF NEW MEXICO

My Commission Expires 2-12-



Looking north at pipelines on south side of Outlaw State 2 pad



Looking west toward well & battery

DISTRICT I 1625 N. French Dr., Hobbs, NM 88240 Phone (675) 393-6161 Fax: (575) 393-0720 DISTRICT II 811 S. First St., Artesia, NM 88210 Phone (675) 748-1283 Pax: (575) 748-9720

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-102 Revised August 1, 2011

Submit one copy to appropriate District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Dr. Santa Fe, New Mexico 87505

DISTRICT IV

1000 Rio Brazos Rd., Aztec, NM 87410 Phone (505) 334-6178 Pax: (505) 334-6170

DISTRICT III

1220 S. St. Francis Dr., Santa Fe. NM 87505 (distance to north & west quarter-quarter lines now shown)
Phone (505) 476-3460 Pas: (508) 478-3462 WELL LOCATION AND ACREAGE DEDICATION PLAT

X AMENDED REPORT

API Number 30-015-42554	Pool Code 96830	Artesia; Glorieta-Yeso			
Property Code	-	erty Name	Well Number		
313568		W STATE	2		
ogrid no.	•	ator Name	Elevation		
873		CORPORATION	3698		

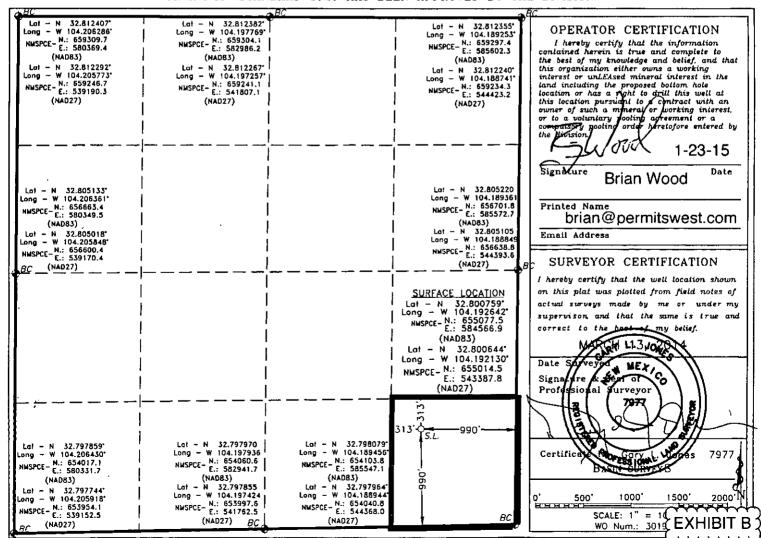
Surface Location

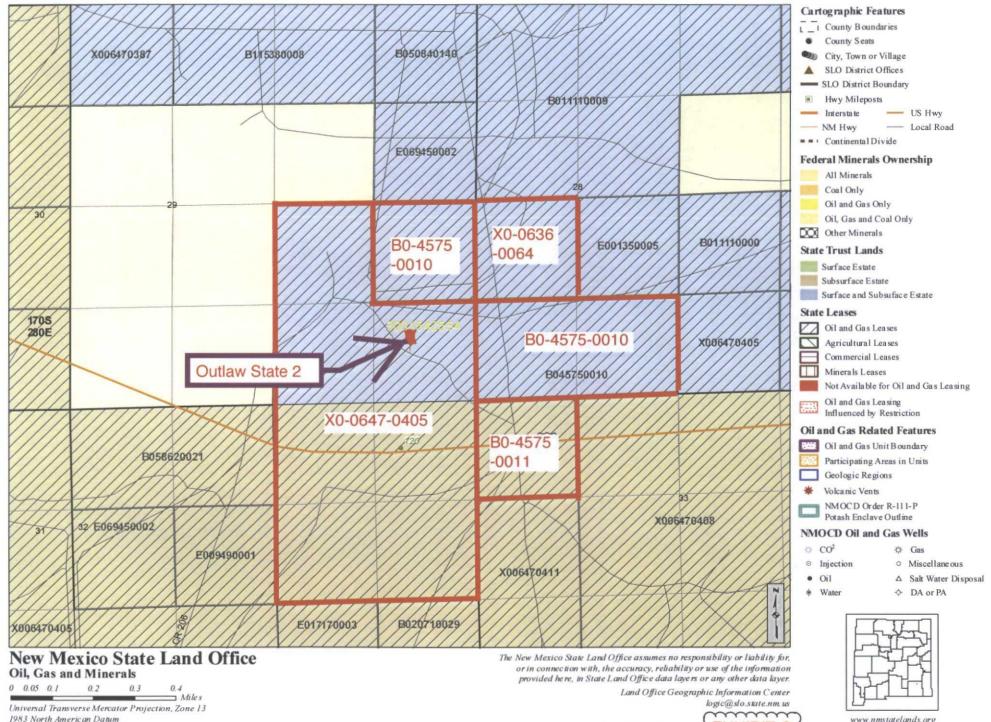
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/WEST LINE	County
Р	29	17 S	28 E		990	SOUTH	990	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range Lot Ide		Feet from the	SOUTH/South line	Feet from the	East/WEST LINE	County
	1							,	
Dedicated Acres	Joint o	r Infill Co	nsolidation (Code Ore	der No.				
40	1								

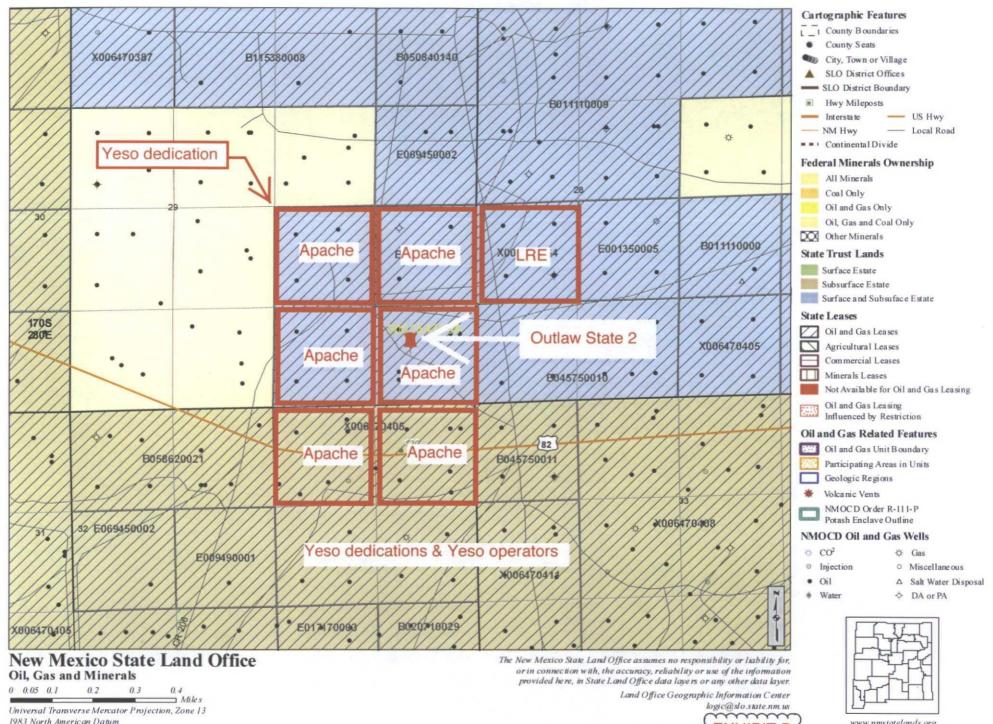
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION





Created On: 1/23/2015 10:21:51 AM

www.nmstatelands.org



Created On: 1/23/2015 1:16:42 PM

www.nmstatelands.org



Chisos LTD c/o Sue Ann Craddock 670 Dona Ana Road SW Deming NM 88030

As required by New Mexico Oil Conservation Division Rules, 1 am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Apache Corporation is applying for NSL approval for its Outlaw State 2.oil well, Minimum state distance for such an oil well is 330' from a quarter-quarter line. The well is 17' further north and west than is standard (see attached application). Thus, it is a nonstandard location. The NSL is due to land uses (tank battery and pipelines).

Well Name: Outlaw State 2 ID: 5,200'

Proposed NSL Zone: Artesia; Glorieta-Yeso (O)

NSL Acreage Dedication: 40 acres (SWSW Section 29, T. 17 S., R. 28 E., Eddy County, NM)

on NMSLO lease X0-0647-0405

Location: ≈12 air mile west of Loco Hills, NM at 990 FSL & 990 FWL 29-17s-28e

Applicant Name: Apache Corporation (432) 818-1168

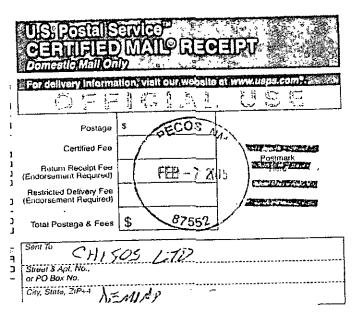
Applicant's Address: 303 Veterans Airpark Lane, Suite 300, Midland TX 79705

<u>Submittal Information</u>: Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any guestions.

15 1 Jack

Brian Wood





February 7, 2015

E G L Resources Inc. P. O. Box 10886 Midland TX 79702

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Apache Corporation is applying for NSL approval for its Outlaw State 2 oil well. Minimum state distance for such an oil well is 330' from a quarter-quarter line. The well is 17' further north and west than is standard (see attached application). Thus, it is a nonstandard location. The NSL is due to land uses (tank battery and pipelines).

Well Name: Outlaw State 2 ID: 5,200'

Proposed NSL Zone: Artesia; Glorieta-Yeso (O)

NSL Acreage Dedication: 40 acres (SWSW Section 29, T. 17 S., R. 28 E., Eddy County, NM)

on NMSLO lease X0-0647-0405

Location: #12 air mile west of Loco Hills, NM at 990 FSL & 990 FWL 29-17s-28e

Applicant Name: Apache Corporation (432) 818-1168

Applicant's'Address: 303 Veterans Airpark Lane, Suite 300, Midland TX 79705

Submittal Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,

Brian Wood





The Latham Family Trust Attn.: Debra Denise Latham 954 River Forrest Dr. New Braunfels TX 78132

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Apache Corporation is applying for NSL approval for its Outlaw State 2 oil well. Minimum state distance for such an oil well is 330! from a quarter-quarter line. The well is 17' further north and west than is standard (see attached application). Thus, it is a nonstandard location. The NSL is due to land uses (tank battery and pipelines).

Well Name: Outlaw State 2 ID: 5,200'

Proposed NSL Zone: Artesia; Glorieta-Yeso (O)

NSL Acreage Dedication: 40 acres (SWSW Section 29, T. 17 S., R. 28 E., Eddy County, NM)

on NMSLO lease X0-0647-0405

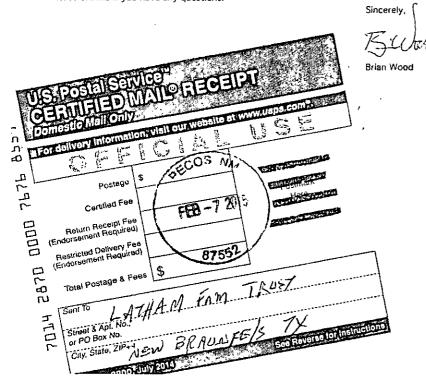
Location: ≈12 air mile west of Loco Hills, NM at 990 FSL & 990 FWL 29-17s-28e

Applicant Name: Apache Corporation (432) 818-1168

Applicant's Address: 303 Veterans Airpark Lane, Suite 300, Midland TX 79705

<u>Submittal Information</u>: Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.





17 Ventural Loops, Santa Eo, Diesa Mesocci (1778) 15055-464, 83 20

February 7, 2015

Sincerely

Mark Tisdale 1600 Desta Dr., Suite 6500 Midland TX 79705

Dear Mark,

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Apache Corporation is applying for NSL approval for its Outlaw State 2 oil well. Minimum state distance for such an oil well is 330' from a quarter-quarter line. The well is 17' further north and west than is standard (see attached application). Thus, it is a nonstandard location. The NSL is due to land uses (tank battery and pipelines).

Well-Name: Outlaw State 2 TD: 5,200'

Proposed NSL Zone: Artesia; Glorieta-Yeso (O)

NSL Acreage Dedication: 40 acres (SWSW Section 29, T. 17 S., R. 28 E., Eddy County, NM)

on NMSLO lease X0-0647-0405

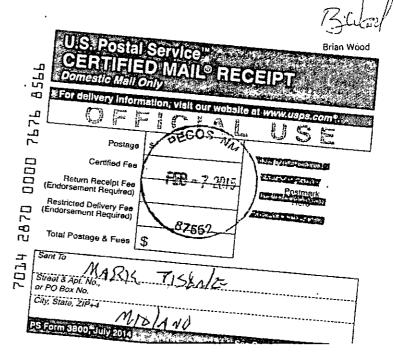
Location: ≈12 air mile west of Loco Hills, NM at 990 FSL & 990 FWL 29-17s-28e

Applicant Name: Apache Corporation (432) 818-1168

Applicant's Address: 303 Veterans Airpark Lane, Suite 300, Midland TX 79705

<u>Submittal Information:</u> Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.



EXHIBITE



Mickey Cunningham 5313 Chesley Court Midland TX 79707

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Apache Corporation is applying for NSL approval for its Outlaw State 2 oil well. Minimum state distance for such an oil well is 330' from a quarter-quarter line. The well is 17' further north and west than is standard (see attached application). Thus, it is a nonstandard location. The NSL is due to land uses (tank battery and pipelines).

Well Name: Outlaw State 2 1D: 5,200'

Proposed NSL Zone; Artesia; Glorieta-Yeso (O)

NSL Acreage Dedication: 40 acres (SWSW Section 29, T. 17 S., R. 28 E., Eddy County, NM)

on NMSLQ lease X0-0647-0405

Location; ≈12 air mile west of Loco Hills, NM at 990 FSL & 990 FWL 29-17s-28e

Applicant Name: Apache Corporation (432) 818-1168

Applicant's Address: 303 Veterans Airpark Lane, Suite 300, Midland TX 79705

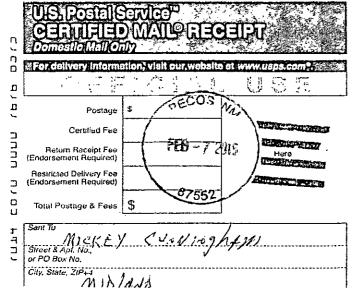
<u>Submittal_Information:</u> Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

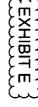
Please call me'if you have any questions.

740cm

Sincerely.

Brian Wood







February 7, 2015

Clayton Williams Energy Inc. 6 Desta Dr., Suite 1100 Midland TX.79705

As required by New Mexico Qil Conservation Division Rules, 1 am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Apache Corporation is applying for NSL approval for its Outlaw State 2 oil well. Minimum state distance for such an oil well is 330' from a quarter-quarter line. The well is 17' further north and west than is standard (see attached application). Thus, it is a nonstandard location. The NSL is due to land uses (tank battery and pipelines).

Well Name; Outlaw State 2 TD: 5,200'

Proposed NSL Zone: Artesia; Glorieta-Yeso (O)

NSL Acreage Dedication: 40 acres (SWSW Section 29, T. 17 S., R. 28 E., Eddy County, NM)

on NMSLO lease X0-0647-0405

Location: ≈12 air mile west of Loco Hills, NM at 990 FSL & 990 FWL 29-17s-28e

Applicant Name: Apache Corporation (432) 818-1168

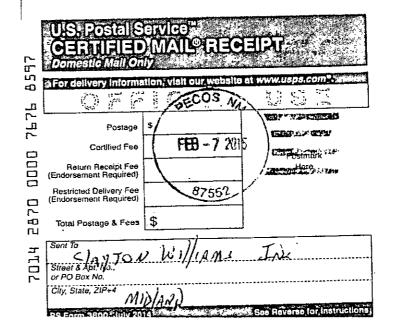
Applicant's Address: 303 Veterans Alrpark Lane, Suite 300, Midland TX 79705

<u>Submittal Information:</u> Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application: The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,

Brian Wood





Sincerely

Greg Benton P. O. Box 51034 Midland TX 79705

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Apache Corporation is applying for NSL approval for its Outlaw State 2 oil well. Minimum state distance for such an oil well is 330' from a quarter-quarter line. The well is 17' further north and west than is standard (see attached application). Thus, it is a nonstandard location. The NSL is, due to land uses (tank battery and pipelines).

Well Name: Outlaw State 2 ID: 5,200'

Proposed NSL Zone: Artesia; Glorieta-Yeso (O)

NSL Acreage Dedication: 40 acres (SWSW Section 29, T. 17 S., R. 28 E., Eddy County, NM)

on NMSLO lease X0-0647-0405

Location: #12 air mile west of Loco Hills, NM at 990 FSL & 990 FWL 29-17s-28e

Applicant Name: Apache Corporation (432) 818-1168

Applicant's Address: 303 Veterans Airpark Lane, Suite 300, Midland TX 79705

<u>Submittal Information:</u> Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.



EXHIBIT E



February 7, 2015

Eric McClusky LRE Operating LLC 1111 Bagby St., Suite 4600 Houston TX 77002

Dear Eric.

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

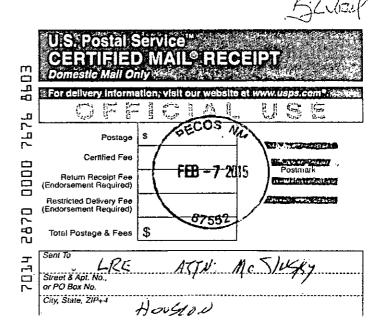
Apache Corporation is applying for NSL approval for its Outlaw State 2 oil well. Minimum state distance for such an oil well is 330' from a quarter-quarter line. The well is 17' further north and west than is standard (see attached application). Thus, it is a nonstandard location. The NSL is due to land uses (tank battery and pipelines).

Well Name: Outlaw State 2 ID: 5,200'
Proposed NSL Zone: Artesia; Glorieta-Yeso (O)
NSL Acreage Dedication: 40 acres (SWSW Section 29, T. 17 S., R. 28 E., Eddy County, NM)
on NMSLO lease X0-0647-0405
Location: =12 air mile west of Loco Hills, NM at 990 FSL & 990 FWL 29-17s-28e
Applicant Name; Apache Corporation (432) 818-1168

Applicant's Address: 303 Veterans Alrpark Lane, Suite 300, Midland TX 79705.

Submittal Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.





Matt Swerc 3000 Goddard Place Midland TX 79705

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Apache Corporation is applying for NSL approval for its Outlaw State 2 oil well. Minimum state distance for such an oil well is 330' from a quarter-quarter line. The well is 17' further north and west than is standard (see attached application). Thus, it is a nonstandard location. The NSL is due to land uses (tank battery and pipelines).

Well Name: Outlaw State 2 ID: 5,200'

Proposed NSL Zone: Artesia; Glorieta-Yeso (O)

NSL Acreage Dedication: 40 acres (SWSW Section 29, T. 17 S., R. 28 E., Eddy County, NM)

on NMSLO lease XO-0647-0405

Location: ≈12 air mile west of Loco Hills, NM at 990 FSL & 990 FWL 29-17s-28e

Applicant Name: Apache Corporation (432) 818-1168

Applicant's Address: 303 Veterans Airpark Lane, Suite 300, Midland TX 79705

<u>Submittal Information:</u> Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New-Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

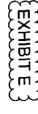
Please call me if you have any questions.

151 del

Brian Wood

Sincerely.







February 7, 2015

Mike Pollard 6 Desta Dr., Suite 3000 Midland TX 79705

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Apache Corporation is applying for NSL approval for its Outlaw State 2 oil well. Minimum state distance for such an oil well is 330' from a quarter-quarter line. The well is 17' further north and west than is standard (see attached application). Thus, it is a nonstandard location. The NSL is due to land uses (tank battery and pipelines).

Well Name: Outlaw State 2 TD: 5,200'

Proposed NSL Zone: Artesia; Glorieta-Yeso (0)

NSL Acreage Dedication: 40 acres (SWSW Section 29, T. 17-S., R. 28 E., Eddy County, NM)

on NMSLO lease X0-0647-0405

Location: #12 air mile west of Loco Hills, NM at 990 FSL & 990 FWL 29-17s-28e

Applicant Name: Apache Corporation (432) 818-1168

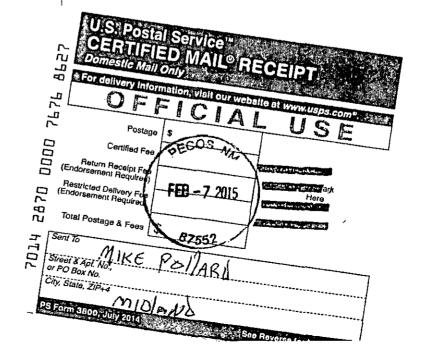
Applicant's Address: 303 Veterans Airpark Lane, Suite 300, Midland TX 79705

<u>Submittal Information:</u> Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,

Brian Wood





Mark B. Herien 1221 S. Main, Suite 206 Boerne TX 78006

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Apache Corporation is applying for NSL approval for its Outlaw State 2 oil well. Minimum state distance for such an oil well is 330' from a quarter-quarter line. The well is 17' further north and west than is standard (see attached application). Thus, it is a nonstandard location. The NSL is due to land uses (tank battery and pipelines).

Well Name: Outlaw State 2 ID: 5,200'

Proposed NSL Zone: Artesia; Glorieta-Yeso (O)-

NSL Acreage Dedication: 40 acres (SWSW Section 29, T. 17 S., R. 28 E., Eddy County, NM)

on NMSLO lease XO-0647-0405

Location: ≈12 air mile west of Loco Hills, NM at 990 FSL & 990 FWL 29-17s-28e

Applicant Name: Apache Corporation (432) 818-1168

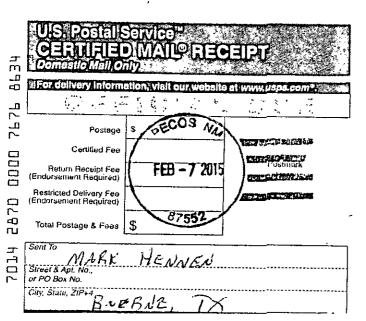
Applicant's Address: 303 Veterans Airpark Lane, Suite 300, Midland TX 79705

<u>Submittal Information</u>: Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,

Brian Wood







February 7, 2015

John Kennedy 6 Desta Dr., Suite 3000 Midland TX 79705

Dear John.

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Apache Corporation is applying for NSL approval for its Outlaw State 2 oil well. Minimum state distance for such an oil well is 330' from a quarter-quarter line. The well is 17' further north and west than is standard (see attached application). Thus, it is a nonstandard location. The NSL is due to land uses (tank battery and pipelines).

Well Name: Outlaw State 2 ID: 5,200'

Pronosed NSL Zone: Artesia; Glorieta-Yeso (O)

NSL Acreage Dedication: 40 acres (SWSW Section 29, T. 17 S., R. 28 E., Eddy County, NM)

on NMSLO lease X0-0647-0405

Location: =12 air mile west of Loco Hills, NM at 990 FSL & 990 FWL 29-17s-28e

Applicant Name: Apache Corporation (432) 818-1168

Applicant's Address: 303 Veterans Airpark Lane, Suite 300, Midland TX 79705

<u>Submittal Information:</u> Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application: The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.





Melvin Riggs 4505 Island Dr. Midland TX 79707

As required by New Mexico Oil Conservation Division-Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Apache Corporation is applying for NSL approval for its Outlaw State 2 oil well. Minimum state distance for such an oil well is 330' from a quarter-quarter line. The well is 17' further north and west than is standard (see attached application). Thus, it is a nonstandard location. The NSL is due to land uses (tank battery and pipelines).

Well Name: Outlaw State 2 TD: 5;200'

Proposed NSL Zone: Artesia; Glorieta-Yeso (O)

NSL Acreage Dedication: 40 acres (SWSW Section 29, T. 17 S., R. 28 E., Eddy County, NM)

on NMSLO lease X0-0G47-0405

Location: ≈12 air mile west of Loco Hills, NM at 990 FSL & 990 FWL 29-17s-28e

Applicant Name: Apache Corporation (432) 818-1168

Applicant's Address: 303 Veterans Airpark Lane, Suite 300, Midland TX 79705

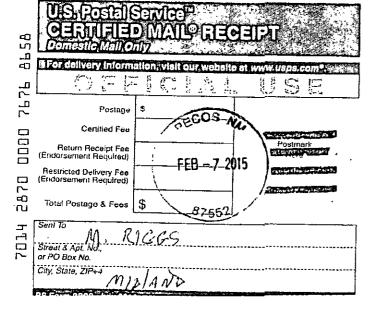
<u>Submittal Information:</u> Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,

Sluzz

Brian Wood







February 7, 2015

Robert Thomas 3808 Roadrunner Trail Midland TX 79707

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Apache Corporation is applying for NSL approval for its Outlaw State 2 oil well. Minimum state distance for such an oil well is 330' from a quarter-quarter line. The well is 17' further north and west than is standard (see attached application). Thus, it is a nonstandard location. The NSL is due to land uses (tank battery and pipelines).

Weil Name: Outlaw State 2 TD: 5,200'

Proposed NSL Zone: Artesia; Glorieta-Yeso (O)

NSL Acreage Dedication: 40 acres (SWSW Section 29, T. 17'S., R. 28 E., Eddy County, NM)'

on NMSLO lease X0-0647-0405

Location: ≈12 air mile west of Loco Hills, NM at 990 FSL & 990 FWL 29-17s-28e

Applicant Name: Apache Corporation (432) 818-1168

Applicant's Address: 303 Veterans Airpark Lane, Suite 300, Midland TX 79705

<u>Submittal Information:</u> Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.. Sincerely! **Brian Wood** 76. 0000 Certified Fee Return Receipt Fee (Endorsement Required) THE TEN Restricted Delivery Fee 70 (Endorsement Required) E P 40 Total Postage & Fees AND THE ſŪ 3033 7 707 or PO Box No.



NM State Land Office P. O. Box 1148 Santa Fe NM 87504

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Apache Corporation is applying for NSL approval for its Outlaw State 2 oil well. Minimum state distance for such an oil well is 330' from a quarter-quarter line. The well is 17' further north and west than is standard (see attached application). Thus, it is a nonstandard location. The NSL is due to land uses (tank battery and pipelines).

Well Name: Outlaw State 2 ID: 5,200'

Proposed NSL Zone: Artesia; Glorieta-Yeso (0)

NSL Acreage Dedication: 40 acres (SWSW Section 29, T. 17 S., R. 28 E., Eddy County, NM)

on NMSLO lease X0-0647-0405

Location: ≈12 air mile west of Loco Hills, NM at 990 FSL & 990 FWL 29-17s-28e

Applicant Name: Apache Corporation (432) 818-1168

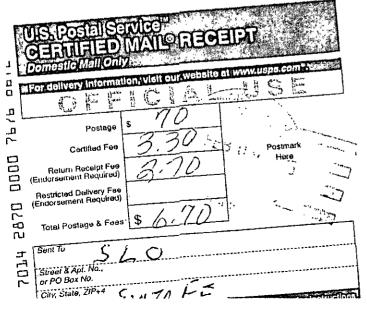
Applicant's Address; 303 Veterans Airpark Lane, Suite 300, Midland TX 79705

<u>Submittal Information</u>; Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Brian Wood

Sincerely





February 7, 2015

Manix Royalty
P. O. Box 2818
Midland TX 79702

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Apache Corporation is applying for NSL approval for its Outlaw State 2 oil well. Minimum state distance for such an oil well is 330' from a quarter-quarter line. The well is 17' further north and west than is standard (see attached application). Thus, it is a nonstandard location. The NSL is due to land uses (tank battery and pipelines).

Well Name: Outlaw State 2 TD: 5,200'

Please call me if you have any questions.

Proposed NSL Zone: Artesia: Glorieta-Yeso (O)

NSL Acreage Dedication: 40 acres (SWSW Section 29, T. 17 S., R. 28 E., Eddy County, NM)

on NMSLO lease X0-0647-0405

Location: =12 air mile west of Loco Hills, NM at 990 FSL & 990 FWL 29-17s-28e

Applicant Name: Apache Corporation (432) 818-1168

ar PO Box No. City, State, ZIP+-

PS Form 3800, July 2014

Applicant's Address: 303 Veterans Airpark Lane, Suite 300, Midland TX 79705.

<u>Submittal Information</u>: Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

.ru 40 _0 ~ __ Postage Λ-Centried Fa 00 Entragalist Charles Return Receipt Fire (Endorsement Required Restricted Delivery Fer Production and Section 1999 Sec 2 (Endorsement Required) . 40 Total Postage & Fees n Sent To **_**

EXHIBITE

McMillan, Michael, EMNRD

From: Brian Wood <brian@permitswest.com>

Sent: Monday, February 09, 2015 10:46 AM

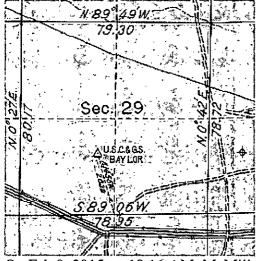
To: McMillan, Michael, EMNRD

Subject: Re: Apache Outlaw State 2 NSL

Section 29 is short on north, east, and south sides.

East side is 5,195.52'.

I'm not sure why BLM did not create lots.



On Feb 9, 2015, at 10:16 AM, McMillan, Michael, EMNRD wrote:

Brian:

I received your NSL application.

The footage calls are 990 FSL and 990 FEL Section 29 T17s R28E.

This is a 40-acre unit. So why is an NSL required with a 40-acre unit? Restated how can you be 313 feet from the unit and not a lot boundary?

Thank You

Michael A. McMillan

Engineering and Geological Services Bureau, Oil Conservation Division 1220 South St. Francis Dr., Santa Fe NM 87505

O: 505.476.3448 F. 505.476.3462